



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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September 25, 1997

CERTIFIED RETURN RECEIPT

P 074 976 603

Tracy Morey
2600 South Junction Valley Road
Box 157
Almo, Idaho 83312

Re: Denial of Notice of Intention to Conduct Small Mining Operations, Cotton Thomas Granite Buckskin Project, Box Elder County, Utah

Dear Mr. Morey:

The Division is in receipt of your Notice/Plan of Operations which was hand delivered to the Division on September 11, 1997. Although you did not use our Small Mining Operations application form (FORM MR-SMO) we believe it was your intention to seek Division acceptance of your Plan of Operations as a Small Mining Notice of Intention. After reviewing the information provided in the notice, we cannot make a finding of completeness. Therefore, we cannot accept your application at this time and are returning the application to you. The basis for denying your application is as follows:

1. Surface disturbance associated with your proposed small mining operation includes approximately 7.2 acres (including current pit disturbance and access roads). This exceeds the five acre small mining threshold, and would qualify it as a large mining operation. To permit this as a large mining notice will require that a detailed mining and reclamation plan be prepared and the posting of acceptable reclamation surety.
2. During a site inspection on August 19, 1997, the crew working the Buckskin pit indicated that they were working for Lon Thomas of American Stone. Pursuant to Rule R647-1-106 (copy enclosed), the Division considers American Stone to be the operator of this site. Your notice indicates that American Stone still owns (and controls) this site. It is our opinion that the mining operations proposed in your notice are not clearly independent of, or completely separated from other stone quarrying activities being conducted by Mr. Lon Thomas of American Stone in the Cotton Thomas basin area.
3. This site is also subject to the Notice of Non-Compliance which was issued to American Stone on September 18, 1997, which requires that all mining operations associated with the Cotton Thomas project area be suspended until a complete and technically adequate Notice of Intention

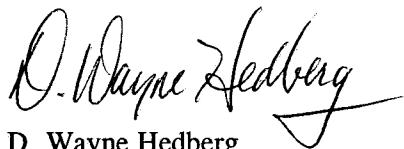
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Tracy Morey
Buckskin Project
September 25, 1997

to conduct *large* mining operations is filed and approved by this office. Until the Notice of Non-compliance is resolved, the Division will not consider transferring any part of the Cotton Thomas Basin quarrying operations to another party.

If you have any questions regarding our decision to deny your application, or wish to come in and discuss this matter further with us, please contact me at (801) 538-5286, or Lynn Kunzler at 538-5310, at your earliest convenience.

Sincerely,



D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb
Enclosures: Application rec'd 9/11/97, Rule 647-1-106
cc: Lon Thomas, American Stone
Mary Ann Wright, DOGM
Dan Moquin, AAG
Lynn Kunzler, DOGM
morey.ltr

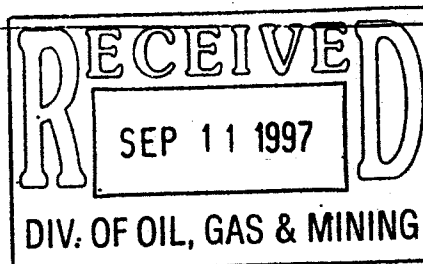
SUGGESTED FORMAT FOR PLAN OF OPERATIONS

- 1) Mining Claim Numbers: UMC Private Property (owned by Lon Thomas)
- 2) Mining Claim Name(s): Cotton Thomas Granite
Buckskin
- 3) Claimant, Operator, Agent:
- A. Claimant(s): Property Owner
Name AMERICAN STONE
Address 4040 So. 300 West. Salt Lake City, UT 84101
Phone# 801-262-4300
- B. Operator(s):
Name TRACY MOREY
Address 2000 So. Junction Valley Rd.
Box 157 Alma, ID. 83312
Phone # 801-877-5519

4) Location and Access:

Brief description (including legal) of the location and existing or proposed access to the area of operation.

- A. General Description of Location: North east part
of Cotton Thomas Basin, Box Elder County
NEAR LYNN Cnty.
- B. Legal Description: Section 1/4 NW 1/4
Section(s): 21
Township: 14 N Range: 17 W Meridian: 3L B+M
County: Box Elder
- C. Estimated total acreage of the area proposed for
exploration or mining 5 ACRES
- D. Estimated acreage per year to be disturbed by mining
operation 1/2 ACRE PER YEAR
- E. Access: Describe the existing or proposed access to the operation site. If new access is proposed, discuss widths, erosion control measures, and grade:
ACCESS VIA EXISTING RANCH Rd and Cnty Rd
IN COTTON THOMAS BASIN



F. What type of stakes/flagging (color?) did you use so that our Specialists can find the site(s) proposed for surface disturbance (not the claim corners) in the field? None - It is an old

Existing Quarry

G. Location Map: Attach a general location and vicinity map showing claim boundaries, UMC numbers in the correct areas, and existing and/or proposed access routes, holes, trenches, excavations, structures, wells, waste dumps, tailings disposal, and disturbed areas. A USGS 7.5 minute topographic map is preferred, but an accurate sketch map will do.

5) General Information

A. Proposed starting date of operation: 7-13-97

Estimated completion date of operation (unknown or lifetime do not provide a definable term of use): 100 years

B. Operation will be (is): Continuous _____ Seasonal X
Intermittent _____

Will you operate on weekends? _____ or weekdays? X

During what months will you be operating? 7-8-9

PUBLIC SAFETY

C. What provisions will you make for Public Safety regarding open pits and trenches?

Will you be using flagging? NO Barricades? NO

How long will the trenches remain open? NO Trenches

D. Equipment, Personnel, and Supporting Facilities.

Equipment: List all equipment to be utilized in connection with the proposed activity, e.g.: mining, road maintenance, hauling, etc. If explosives will be used, please indicate. Will explosives be stored on site? Excavator Front End Loader Dump

Truck Flat Bed Semi Road Grader

Personnel: How many people will be working at the site? 5

How many caretakers, or people will be living at the site? 5

Supporting Facilities: Describe any proposed or existing structures, sanitary facilities, or secured areas, and justify the reasons for continued maintenance and/or construction of these facilities:

No 5 structures The men stay
in RV camp trailers with indoor
plumbing

6) Proposed Exploration

Dimensions of proposed holes, trenches, or excavations (Specify type): Quarry in Existing Quarry

7) Proposed (Existing) Mining Operations

A. Estimated size of operation:

Under 500 tons/cu yds per year
500- 5,000 tons/cu yds per year X
5,000-50,000 tons/cu yds per year
50,000-100,000 tons/cu yds per year
100,000-250,000 tons/cu yds per year
250,000-1,000,000 tons/cu yds per year
Over 1,000,000 tons/cu yds per year

F. Water

Estimate the quantity (gpd) of water required by the mining and processing operation. Specify the proposed source of this water, the method of transport to the property, and the quantity and method of disposal of used and/or surplus water: NONE

Reclamation Plan and Proposal Measures to Prevent Undue and Unnecessary Degradation:

Describe (in the space provided below) the methods, including the sequence and timing, that will be used to complete the final reclamation of the land disturbed in your proposed mining operations. Diagrams may be used. Include in your response, a brief discussion of each of the following (if applicable):

- 1). Backfilling and re-contouring.
- 2). Scarification of disturbed areas.
- 3). Stabilization of slopes.
- 4). Stabilization of permanent waste dumps, tailings, etc.
- 5). Rehabilitation of pre-mining drainage.
- 6). Removal, disposal, or utilization of residual equipment, structures, and refuse.
- 7). Control of contaminants, especially with regard to surface run-off and ground water.
- 8). Treatments of stream beds and streambanks to control erosion and sedimentation.
- 9). Removal or reduction of residual mining hazards, such as open pits, trenches, shafts, adits, etc.
- 10). Re-soiling and re-vegetation of disturbed areas.
- 11). If new roads are proposed, will these be reclaimed?

When it becomes necessary to advance the Quarry working face to a position that was not previously worked, we will strip the top soil & store it out of the way to the side. There are no streams or water ways near the Quarry. When the Quarry is to be closed the tailings will be re-contoured & some will be used to back fill the Quarry. Then the stored top soil will be spread over the disturbed area and it will be seeded with a state approved mix at the recommended time.

Operator/Claimant Signature [Signature]

Date 8-28-97

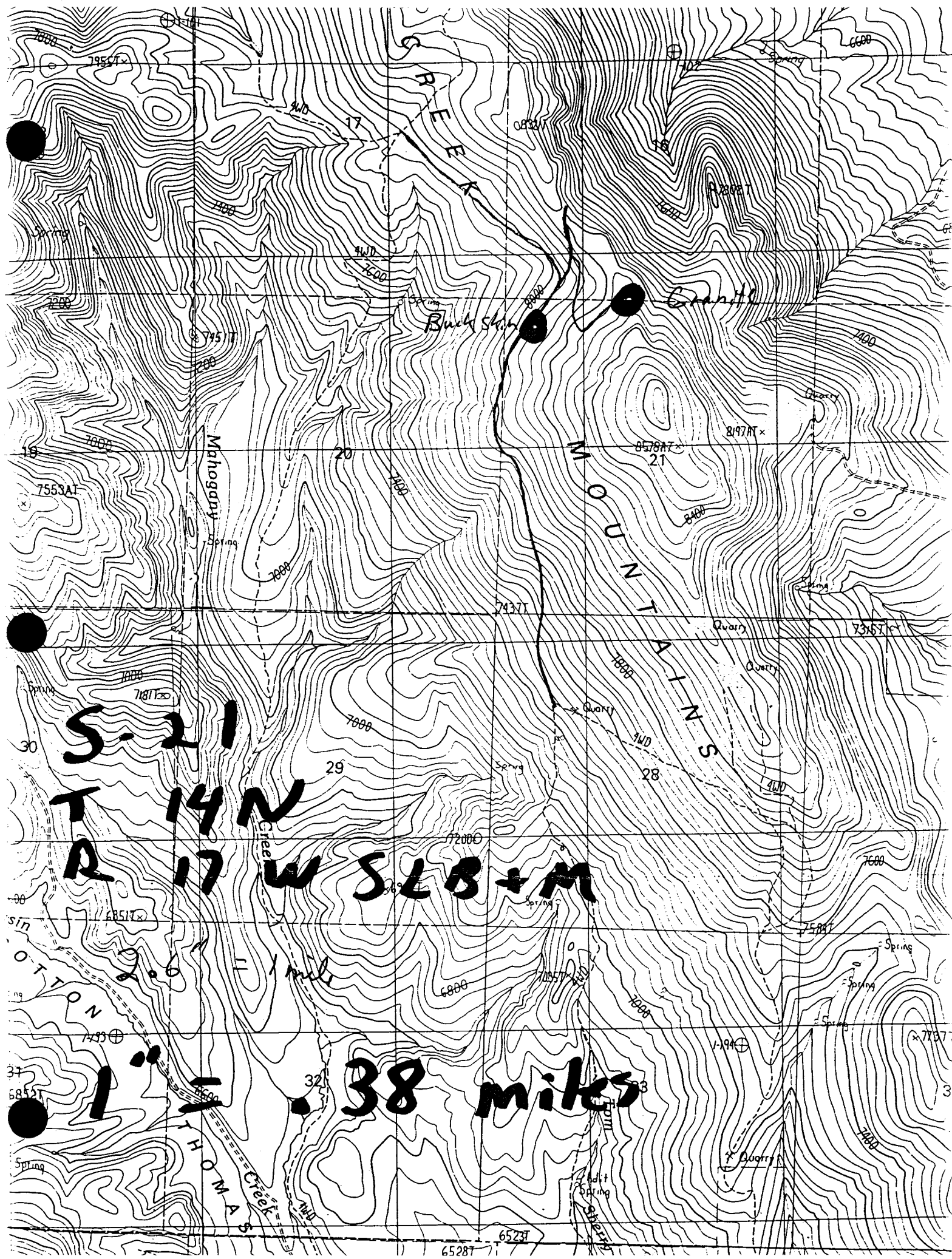
Description of Operation

The operation will quarry stone from two existing stone quarries. The quarries have been worked several years in the past. Both quarries have good rock exposed that has no dirt or over burden on it.

As the quarries progress we will eventually, after a few years, get to a point that has top soil on it. At that time the top soil will be pushed into a stock pile and stored for reclamation.

The quarrying operation entails excavating rock from the quarry face with an excavator. Then a front end loader spreads the rock on the quarry platform where men split and stack stone on pallets. The pallets will be loaded onto a flat bed semi-truck for transportation via existing roads to the sales yard.

The men will be housed in existing trailers owned by the property owner 2miles down the hill. The operation will run approximately 2 months each year for the next 100 years.



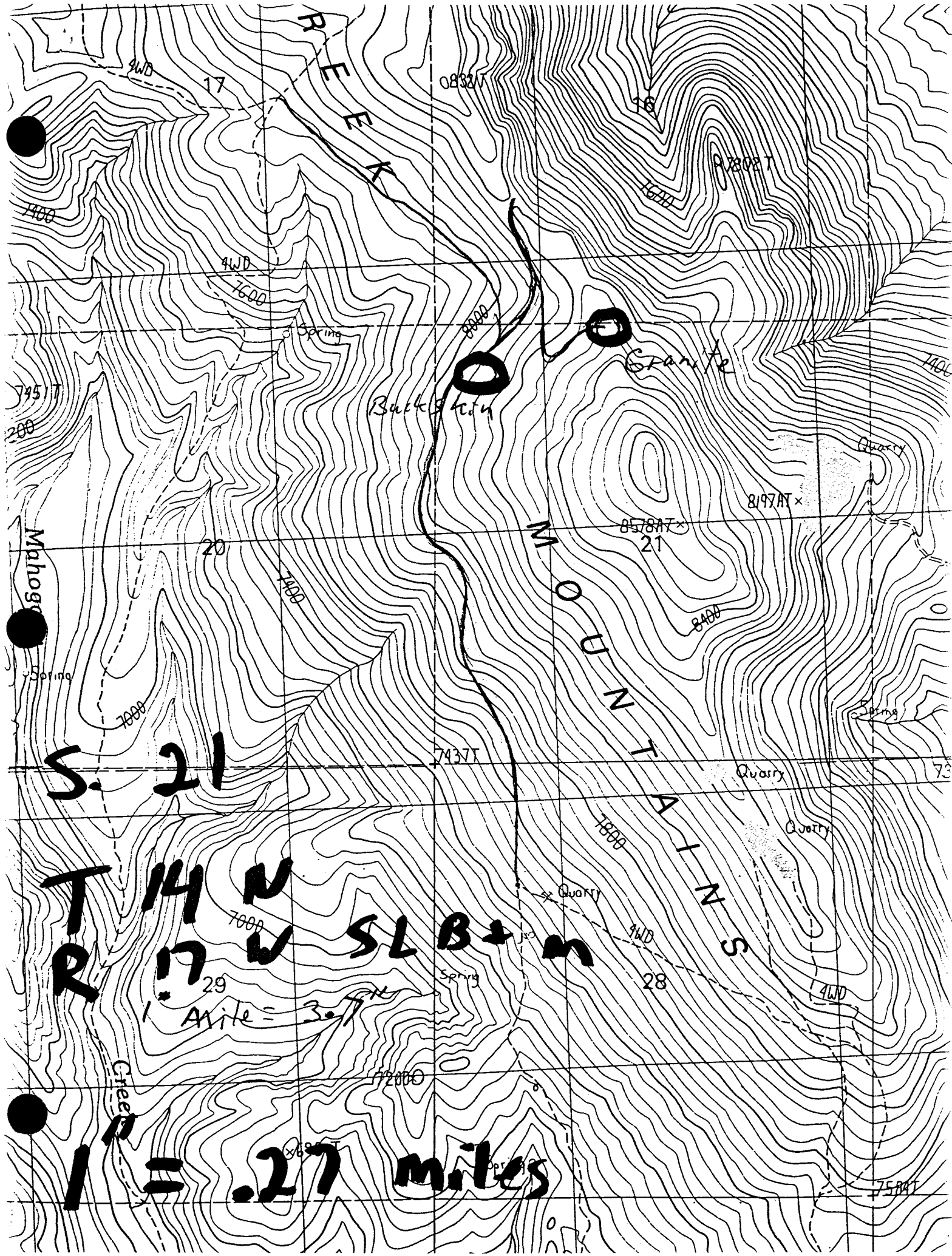
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T 14N

R 17W SLB+M

2.6 1 1 mile

1" = 38 miles



S. 21

T 14 N
R 17 W SLB + m

1* A mile = 3.7

1 = .27 miles